



SEAPORT

NORTH CENTRAL IDAHO: CLEARWATER, IDAHO, LATAH, LEWIS, & NEZ PERCE COUNTIES

EMPLOYMENT TRENDS

Seaport's seasonally adjusted unemployment rate in October remained at September's rate of 3.7 percent. In October 2000 the rate was 5.5 percent. In spite of the low unemployment rate, *Nonfarm Payroll Jobs* continued to decrease in October. Total jobs decreased by 330 from September 2001 and by 850 from October 2000. October's decrease occurred in almost all industries. The only good news in October was that two major industries, *Lumber and Wood Products* and *Paper and Allied Products*, didn't lose jobs as in past months, maintaining jobs at September's level. *Education* was the only industry to record an increase in jobs in October; however, the increase was only a normal seasonal adjustment as schools continue to gear up from summer vacation. Compared to October 2000, *Education* increased by no more than ten jobs.

SPECIAL TOPIC

Washington State Minimum Wage

North Central Idaho employers, especially those in Lewiston and Moscow, keep a close eye on the minimum wage in the state of Washington. Increases in the minimum wage in Washington usually signal a need to increase entry level wages in North Central Idaho border communities because employers compete for the same labor pool. Workers earning minimum wage in Washington State will be paid \$6.90 per hour starting Jan. 1, 2002—an 18 cent an hour increase from the current rate. The state's minimum wage is recalculated each year in September as a result of an initiative approved by voters in 1998. The initiative tied the minimum wage to changes in the federal Consumer Price Index for urban wage earners and clerical workers (CPI-W). For the 12 months ending August 2001, the nationwide CPI-W increased 2.658 percent. Therefore, Washington's current minimum wage of \$6.72 per hour will increase 2.658 percent to \$6.90 per hour. The new wage applies to workers 18 and older across the state, in both agricultural and non-agricultural jobs. Workers 16 and 17 years of age also will receive the

Seaport Table 1: Labor Force & Employment
Nez Perce County, Idaho, and Asotin County, Washington

	Oct 2001*	Sept 2001	Oct 2000	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
Seasonally Adjusted					
Civilian Labor Force	34,170	34,610	33,460	-1.3	2.1
Unemployment	1,260	1,290	1,830	-2.3	-31.1
% of Labor Force Unemployed	3.7	3.7	5.5		
Total Employment	32,910	33,320	31,630	-1.2	4.0
Unadjusted					
Civilian Labor Force	33,990	34,210	33,160	-0.6	2.5
Unemployment	1,060	980	1,540	8.2	-31.2
% of Labor Force Unemployed	3.1	2.9	4.6		
Total Employment	32,930	33,230	31,620	-0.9	4.1
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs**	25,390	25,720	26,240	-1.3	-3.2
Goods-Producing Industries	4,960	5,280	5,220	-6.1	-5.0
Mining & Construction	1,210	1,420	1,360	-14.8	-11.0
Manufacturing	3,750	3,860	3,860	-2.8	-2.8
Food Processing	70	120	130	-41.7	-46.2
Lumber & Wood Products	710	710	680	0.0	4.4
Paper Products	1,690	1,690	1,720	0.0	-1.7
All Other Manufacturing	1,280	1,340	1,330	-4.5	-3.8
Service-Producing Industries	20,430	20,440	21,020	0.0	-2.8
Transportation	1,320	1,340	1,370	-1.5	-3.6
Communications & Utilities	280	290	290	-3.4	-3.4
Wholesale Trade	880	940	960	-6.4	-8.3
Retail Trade	5,050	5,060	5,270	-0.2	-4.2
Finance, Insurance, & Real Estate	1,350	1,360	1,420	-0.7	-4.9
Services	7,220	7,290	7,500	-1.0	-3.7
Government Administration	1,820	1,890	1,710	-3.7	6.4
Government Education	2,510	2,270	2,500	10.6	0.4
*Preliminary Estimate					
**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month					

raise under a rule that states they are to earn the same minimum wage as adults. The current minimum wage in Idaho and the U.S. is \$5.15. There are no January 1, 2001 increases planned for either Idaho or the U.S.

AREA DEVELOPMENTS

Latah County

- The University of Idaho (UI) is in the midst of a \$35 million residence hall project. Dan Schoenberg, UI director of auxiliary services, said the need for new beds was made obvious this fall. "When you need to house students in hotels and motels, there is a shortage of viable housing on the campus," he said. "Next year's going to be a tough year to try to accommodate all the students." New residence halls under construction will include approximately 20,000-square feet of classrooms, 600 beds within eight buildings, and a 180-car parking structure on the corner of Line and Sixth streets. The first 300 beds are scheduled to be available by fall 2003, with the second 300 beds to follow in May 2004. UI will lose about 500 beds when Gault Hall and Upham Hall are de-

molished, Scholars' Hall is returned to Theta Chi fraternity, and the use of rooms in the Alumni Residence Center is discontinued. "We'll net about 100 beds," Schoenberg said.

Idaho & Lewis Counties

- The Ida-Lew Economic Development Council hired an economic development specialist to promote and market communities in Idaho and Lewis counties, using a grant from the Idaho Department of Commerce. Shaun Maxey, formerly of the Washington State Small Business Development Center, was hired to coordinate efforts to attract new business, and retain and assist existing business. Shaun will be located in donated office space at Shearer Lumber in Grangeville. A workshop was held earlier this year in Cottonwood to try to locate small business owners and entrepreneurs who need help establishing their businesses. Workshop participants will be some of the first people that Shaun will contact.

Nez Perce and Asotin Counties

- Potlatch Corporation announced in November that they will layoff about 390 employees during the holidays at their Clearwater Lumber plant in Lewiston. Clearwater Lumber will be shut down November 19-26, December 24-28 and December 31- January 4. Extremely slow markets for lumber products is the key reason for the layoffs, according to a company press release. Demand for lumber usually decreases this time of year as the weather grows colder and construction projects slow down. This year the traditional softening of the market is coinciding with a nationwide slowdown that may have been accelerated by the September 11 terrorist attacks.
- Alliant Techsystems (ATK), a weapons and aerospace manufacturer, is buying the Sporting Equipment Group of Blount International. According to ATK, the company is committed to Blount's Lewiston manufacturing plant and believes the Lewiston plant is a key to the company's overall growth. Blount, one of the largest manufacturers in North Central Idaho, employs about 700 people in Lewiston where it makes sporting and law enforcement ammunition. ATK manufactures the following: bullets; ammunition for tanks, rifles, and armored vehicles; strategic missiles; tactical missiles fired from aircraft; and rocket motors used on space launch vehicles for commercial satellites and the space shuttle. According to ATK officials, the Blount acquisition provides the company with a way to strengthen munitions, one of two anchor businesses of the company. The other anchor is propulsion. The acquisition also will help ATK enter the market of civil and law enforcement ammunition, and allow them to expand more rapidly in environmentally-friendly, lead-free ammunition. Research done at Blount in Lewiston has been instrumental in creating new products in those areas. According to ATK, the company's profit margins are among the best in the

industry, and executives expect to find more ways to save with the growth such as brokering deals on raw materials used for products made at existing ATK plants and Blount operations.

- In a victory for the struggling lumber industry, the U.S. Department of Commerce in November levied a 12.5 percent anti-dump duty on Canadian softwood lumber products. This ruling charged Canadian mills with exporting softwood lumber products to the United States below fair market value. The 12.5 percent duty is on top of the 19.3 percent countervailing duty put in place in August against Canadian softwood imports. The countervailing duty charged the Canadian government with unfairly subsidizing the country's lumber industry. "We're pleased by the decision and yet another confirmation that we have been playing on an uneven field," said Mark Benson, public affairs director in Lewiston for the Potlatch Corporation, "and we're hopeful that this action, along with previously imposed countervailing duty will improve our business climate over the long haul."
- TeleServicing Innovations (TSI) postponed expansion to Lewiston because of a national business downturn. The company plans to open a contact center at the business development park being built on port land east of Thain Grade. Originally TSI planned to open in Lewiston by December. The target date now is May 2002 for construction; the center won't open until several months after that date, though no definite date has been set, according to Jeff Neiswanger, president and chief executive of TSI. Development of infrastructure for the business technology park is not threatened. The \$1.8 million in grant money to install sewer, water and roads at the park hinges on the Regence Group constructing an insurance claims processing center. That project is moving forward. Construction will start sometime after January 1st, take 12 to 18 months, and be ready in 2003. The Regence group serves affiliated plans in Idaho, Utah, Oregon, and Washington.
- American Classic Voyages is voluntarily reorganizing under Chapter 11 bankruptcy. The company operates the Columbia Queen, the largest cruise ship that docks in Clarkston. Currently, the Columbia Queen is docked in Portland under court order, pending action. Bookings at American Classic Voyages, the largest domestic cruise boat company, declined 50 percent after the September 11 World Trade Center attacks, according to a company press release. "The aftermath of the terrorists acts and the war on terrorism had a dramatic effect on the company's financial health."

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